

Gov. Walker: Governor Walker, Green Bay Packaging Inc. announce \$500 million expansion

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Company to build new recycled paper mill, expand shipping container division for project expected to create at least 200 jobs statewide

GREEN BAY – Governor Walker joined officials of Green Bay Packaging Inc. today to announce an investment of over \$500 million that includes construction of a new recycled paper mill and an expansion of the company’s shipping container division – a project expected to create 200 jobs throughout the state.

“Green Bay Packaging has been an integral part of Wisconsin’s manufacturing legacy for generations, and we are excited to see their ongoing commitment to Wisconsin through this major expansion,” said Governor Walker. “The company’s investment in this new facility and new equipment will not only benefit the Green Bay region, but will strengthen our state’s papermaking industry. With this expansion, Green Bay Packaging joins a growing list of longtime Wisconsin companies that are continuing to grow here because of our positive business climate and dedicated workforce.”

“Papermaking has long been a staple in Wisconsin’s economic success, but it’s no secret that many paper mills across the state have closed down or moved out in recent years,” said Will Kress, President and CEO of Green Bay Packaging. “Like our Green Bay Mill, they grow old, become inefficient, and too expensive to reinvest, but we decided to move forward with building a new paper mill right here in Green Bay because we are committed to our hardworking employees, our loyal customers, and this community.”

“The decision to build the new 100 percent recycled paper machine in Green Bay will preserve more than 1,100 Green Bay Packaging jobs across Brown County and position the company to grow its local workforce in the coming years,” added Bryan Hollenbach, Executive Vice President of Green Bay Packaging.

“The new Green Bay Mill will more than double Green Bay Packaging’s paper production capabilities, resulting in a positive impact on Wisconsin’s transportation industry by increasing the amount of freight coming to and from the company each day. The new Green Bay Mill will also continue to advance Green Bay Packaging’s longtime commitment to be an industry leader in environmental stewardship and sustainability as it will be one of the most environmentally friendly mills in the country.”

With \$500 million in capital investment, the expansion of Green Bay Packaging will be one of the largest economic development projects in state history and the largest ever in Brown County.

The new state-of-the-art recycled paper mill will replace an existing recycled paper machine that was originally built in 1947 and has been rebuilt three times since. The new mill, which will cost over \$475 million and take three years to build, will last more than 50 years, company officials say. Building the new mill in Green Bay will enable the company to continue to grow in Wisconsin and could result in other long-term investments in the state.

Construction of the mill has the potential to directly and indirectly support more than 3,000 jobs in the Green Bay region and have a \$257 million economic impact on the region. The construction phase could also generate about \$10 million of additional tax revenue for the state.

The company also will invest \$25 million in the expansion of its Green Bay Shipping Container Division. In May, Green Bay Packaging announced the acquisition of Wisconsin Packaging Corp., a Fort Atkinson manufacturer of corrugated packaging and displays. Green Bay Packaging plans to continue to operate and grow the Fort Atkinson facility in the future.

To help ensure that the company expansion occurs in Wisconsin, the Wisconsin Economic Development Corporation (WEDC) is working with Green Bay Packaging to provide about \$60 million in state income tax credits for the project. Any such incentives would be subject to WEDC’s underwriting process and would have to be

approved by its Board of Directors.

Any tax credits awarded to the company would be contingent upon the number of jobs created and retained, and the amount of capital investment over that time. As is the case for all WEDC tax credit awards, the company would first have to create the jobs and make the capital investments before receiving any credits.

In addition to the 200 jobs expected to be created by Green Bay Packaging, an economic modeling study estimates the project could indirectly generate 135 additional jobs in the region.

Started in 1933, Green Bay Packaging Inc. is a family-owned, vertically integrated company consisting of corrugated container plants, folding cartons, recycled and virgin linerboard mills, pressure-sensitive label rollstock, specialty converting operations, timberlands, and a sawmill facility.

Based in Green Bay, the privately-held company has manufacturing facilities in 14 states, including 12 facilities in Wisconsin. The company employs nearly 3,600 employees nationwide, with over 1,500 of those in Wisconsin and more than 1,100 in Brown County.